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RUEKJCS/SECDEF WASHINGTON DC

C O N F I D E N T I A L BUENOS AIRES 000663

SIPDIS

E.O. 12958: DECL: 05/16/2018

TAGS: PREL PGOV KPAO OPRC KMDR PHUM AR

SUBJECT: ARGENTINA'S NEW PAPER "CRITICA" UNDER GOVERNMENT

**PRESSURE** 

REF: A. (A) BUENOS AIRES 587

\_B. (B) BUENOS AIRES 531

Classified By: Ambassador E. Anthony Wayne for reasons 1.4 (B) and (D).

SUMMARY

11. (C) JORGE LANATA, ONE OF ARGENTINA'S MOST ACCOMPLISHED JOURNALISTS, CALLED ON AMBASSADOR WAYNE MAY 15 TO ASK FOR SUPPORT AS HIS RECENTLY LAUNCHED PAPER, "CRITICA," IS BEING SUBJECTED TO A GOVERNMENT CAMPAIGN TO CUT OFF FINANCIAL BACKING AND IN OTHER WAYS COMPLICATE OPERATIONS UNLESS IT MODERATES ITS CRITICISM OF THE GOVERNMENT. MR. LANATA, AND GABRIEL CAVALLO, THE DEPUTY AND BUSINESS PARTNER WHO ACCOMPANIED HIM, DESCRIBED GOVERNMENT ANGER OVER THEIR OFTEN BITING, "LIBERAL LEFT" JOURNALISM AND THE SQUEEZE TACTICS BEING USED TO TRY TO MUZZLE THE PAPER, INCLUDING CYBER-ATTACKS. IN THIS REGARD, "CRITICA" IS SUBJECT TO THE SAME GOA POLICIES THAT HAVE FUELED THE LARGER BATTLE GOING ON BETWEEN THE GOA AND MEDIA CONGLOMERATE, THE CLARIN GROUP. LANATA ASSERTED THAT THE GOVERNMENT IS TRYING TO SET THE JOURNALISTIC AGENDA BY EXERTING MAXIMUM CONTROL OVER THE MEDIA. UNLIKE CLARIN, HOWEVER, HIS START-UP "CRITICA" DOES NOT HAVE MUCH POWER TO FIGHT BACK. ALSO ON MAY 15, THE INTERAMERICAN PRESS ASSOCIATION ISSUED A PRESS RELEASE URGING THE CRISTINA FERNANDEZ DE KIRCHNER ADMINISTRATION TO TONE DOWN THE LEVEL OF CONFRONTATION WITH THE MEDIA. END SUMMARY.

EDITOR LANATA REQUESTS A CALL

12. (C) JORGE LANATA, PUBLISHER OF THE RECENTLY LAUNCHED DAILY NEWSPAPER "CRITICA," AND A BUSINESS PARTNER, FORMER JUDGE AND INTERNATIONAL VISITOR GRANTEE, GABRIEL CAVALLO, CALLED ON THE AMBASSADOR MAY 15 TO TELL HIM THEY ARE UNDER POWERFUL PRESSURE FROM THE GOVERNMENT TO MUZZLE THEIR CRITICISM OF PRESIDENT CRISITINA FERNANDEZ DE KIRCHNER (CFK).

"CRITICA" AND ITS BACKERS UNDER THE GUN

13. (C) ACCORDING TO LANATA, THE GOVERNMENT HAS LAUNCHED A PROJECT TO STRANGLE FINANCIALLY THE PAPER. HE SAID IT FOCUSES ON: 1) THREATS AND INTIMIDATION TO THE PAPER'S INVESTORS, WHICH INCLUDE PHARMACEUTICAL AND INSURANCE BUSINESS LEADERS, AND EDITORS, INCLUDING LANATA; 2) PRESSURE ON PRIVATE FIRMS TO PREVENT THEM FROM ADVERTISING IN THE PAPER; AND 3) SOPHISTICATED CYBER-ATTACKS AIMED AT THE PAPER'S INTERNET PAGE AND PHONE LINES. LANATA TOLD HOW MARCELO FIGUEIRAS, ONE OF THE PROPRIETORS OF THE RICHMOND

LABORATORY, HAD BEEN WARNED HE WOULD NOT SCORE ANY GOVERNMENT CONTRACTS IF HE CONTINUED TO SUPPORT THE PAPER. ONE OF ARGENTINA'S MOST INFLUENTIAL BUSINESS LEADERS, SUPERMARKET CHAIN OWNER ALFREDO COTO, OFFERED LANATA ADVERTISING MONEY, BUT ASKED THAT HE NOT PUBLISH ANY ADS, SO AS NOT TO UPSET THE ADMINISTRATION. THESE WERE STARK EXAMPLES, LANATA ASSERTED, OF THE MORE GENERAL PROBLEM OF ARGENTINE BUSINESS LEADERS' FEAR OF GOVERNMENT PRESSURE. ACCORDING TO CAVALLO, PROVINCIAL GOVERNMENTS ARE ALSO AFRAID OF THE GOA. HE SAID A PRO-KIRCHNER GOVERNOR WHO HAD AGREED TO PLACE ADS IN CRITICA HAD TO BACKTRACK ON HIS COMMITMENT AFTER GETTING A REPRIMAND FROM THE NATIONAL ADMINISTRATION. LANATA SAID THAT HE AND OTHER PERSONNEL AT THE PAPER HAD RECEIVED REPEATED PHONE THREATS OF VIOLENCE AGAINST THEM.

- 14. (C) LANATA ALSO DESCRIBED A "SYSTEMATIC AND SOPHISTICATED HACKING CAMPAIGN" AGAINST CRITICA'S WEBSITE. THE PUBLISHER SAID THE SITE IS REGULARLY OVERLOADED BY 150,000 USERS DAILY TO CAUSE JAMS THAT RESULT IN DENIAL OF SERVICE TO WEBSITE VISITORS. HE SAID THE PAPER'S TWO PHONE LINES ARE ALSO REGULARLY BOMBARDED BY CALLS NOT GENERATED BY REAL CLIENTS.
- 15. (C) CAVALLO SAID HE RAISED THESE ISSUES IN A 90-MINUTE-MEETING WITH HIS LONGTIME FRIEND, CABINET CHIEF ALBERTO FERNANDEZ, MARCH 25, BUT ONLY OBTAINED WHAT HE DESCRIBED AS A "CYNICAL" ANSWER: "IS THAT REALLY HAPPENING? I HAD NO IDEA!" (CAVALLO HAS KNOWN FERNANDEZ SINCE BOTH TAUGHT YEARS AGO AT THE UNIVERSITY OF BUENOS AIRES SCHOOL OF LAW.)
- 16. (C) LANATA AND CAVALLO SAID THEY BELIEVE CASA ROSADA MEDIA DIRECTOR ENRIQUE ALBISTUR AND PLANNING MINISTER JULIO DE VIDO ARE THE PERPETRATORS AND MASTERMINDS OF A CAMPAIGN AGAINST

THEM, DIRECTED BY FORMER PRESIDENT NESTOR KIRCHNER. LANATA SAID THAT SOMEONE IN THE ADMINISTRATION HAD OFFERED TO BROKER A DEAL IN WHICH A GOVERNMENT REPRESENTATIVE WOULD SIT ON THE PAPER'S EDITORIAL STAFF TO MONITOR THINGS. LANATA SAID THIS WAS UNACCEPTABLE. AT THE SAME TIME, LANATA SAID HE HAS NOT PUBLISHED ANY ARTICLES ABOUT THE GOVERNMENT TACTICS AGAINST THE PAPER.

17. (C) COMMEWNT: CRITICA DOES NOT RECEIVE ANY FUNDS FROM THE 100 MILLION DOLLAR STATE ADVERTISING BUDGET, WHICH IS AN IMPORTANT (ALBEIT INAPPROPRIATE) SOURCE OF FINANCING FOR ARGENTINE MEDIA. IT IS WIDELY ALLEGED THAT THE CASA ROSADA MEDIA DIRECTOR, ENRIQUE ALBISTUR, WHO MANAGES THIS BUDGET, DISTRIBUTES THE FUNDS ACCORDING TO STRICT POLITICAL CRITERIA. OPPOSITION PUBLICATIONS "PERFIL" AND "NOTICIAS," FOR EXAMPLE, RECEIVE NO FUNDING FROM THIS SOURCE, AND OTHER ALLOTMENTS APPEAR SKEWED TOWARDS PRO-GOVERNMENT PRESS. ARGENTINA'S SUPREME COURT RECENTLY RULED IN A PROVINCIAL CASE THAT POLITICALLY BASED DISTRIBUTION OF ADVERTISING FUNDS IS ILLEGAL. ALTHOUGH THERE HAS BEEN NO FEDERAL CASE AGAINST ALBISTUR, HE IS CURRENTLY BEING INVESTIGATED FOR ALLEGEDLY DIRECTING CONTRACTS TO FAMILY AND FRIENDS' BUSINESSES.

## THE DILEMMA LANATA CREATES FOR THE KIRCHNERS

18. (C) LANATA IS ONE OF THE MOST INNOVATIVE JOURNALISTS AND MEDIA ENTREPRENEURS IN POST-DICTATORSHIP ARGENTINA. HE BROKE GROUND IN 1987 WHEN HE FOUNDED PAGINA/12, A LEFT-LEANING NEWSPAPER WHICH CHALLENGED THE GOVERNMENT, ESPECIALLY DURING THE MENEM YEARS. PAGINA/12 IS NOW STAUNCHLY PRO-KIRCHNER, IN PARTICULAR, STRONGLY PROMOTING THEIR ANTI-MILITARY DICTATORSHIP POLICIES. IN HIS NEW PAPER, CRITICA, STORIES FEATURE IN-DPETH ANALYSES AND FRONT PAGES EDITORIALIZE ARGENTINA'S REALITY WITH WIT AND VISUAL FLAIR. NEW INFORMATION HAS BEEN MADE AVAILABLE RECENTLY THANKS TO CRITICA. LANATA SAID HE SEEKS TO RAISE THE LEVEL OF INVESTIGATIVE JOURNALISM IN ARGENTINA, REPORTING FACTUAL INFORMATION THAT OTHER PAPERS CHOOSE TO IGNORE. ONE EXAMPLE WOULD BE A RECENT STORY ON PRESIDENT FERNANDEZ DE KIRCHNER'S TRAVEL BUDGET THAT DREW BROADER MEDIA ATTENTION AFTERWARDS AS WELL AS GOVERNMENT IRE. CRITICA'S FRESH JOURNALISM HAS BEEN GAINING INFLUENCE RAPIDLY IN ARGENTINE SOCIETY. NEVERTHELESS, LANATA'S IRREVERENCE HAS ATTRACTED NOT ONLY THE IRE OF THE KIRCHNERS, BUT OF ARGENTINA'S TWO TOP NEWSPAPERS, "CLARIN" AND "LA NACION." BOTH ARE FENDING OFF MAJOR PROBLEMS STEMMING FROM CRITICA'S STORIES ABOUT THE CONTAMINATION GENERATED BY THEIR JOINTLY OWNED PAPER PLANT.

19. (C) THE DILEMMA CRITICA POSES FOR THE KIRCHNERS IS THAT CRITICA'S READERSHIP IS THE SAME GROUP THEY CLAIM TO HAVE CAPTURED: THE LEFT-INCLINED SECTORS, AMONG THEM HUMAN RIGHTS GROUPS AND CERTAIN INTELLIGENTSIA. LANATA ARGUES THAT THE GOVERNMENT CAN ACCEPT CRITICISM COMING FROM THE RIGHT-WING OF THE POLITICAL AND MEDIA SPECTRUM, BUT CANNOT HANDLE BEING HIT FROM THE LEFT, BY WHAT CAVALLO DESCRIBED AS A "LIBERAL, INDEPENDENT PUBLICATION." MOREOVER, LANATA WAS THE FOUNDER OF THE VERY NEWSPAPER ) PAGINA/12 ) THAT THE KIRCHNERS HAVE EMBRACED AS THE HOUSE ORGAN OF THEIR HUMAN RIGHTS AND ANTI-MILITARY AGENDAS.

THE CONTEXT: GOA BATTLE AGAINST CLARIN

110. (C) THE LAUNCH OF "CRITICA" HAS COINCIDED WITH THE RECENT ESCALATION IN THE GOVERNMENT, S CONFLICT-PLAGUED RELATIONSHIP WITH THE MEDIA AND MOST ESPECIALLY WITH THE COUNTRY'S LARGEST MEDIA CONGLOMERATE, CLARIN. LANATA COMMENTED THAT THE GOVERNMENT IS TRYING TO SET THE JOURNALISTIC AGENDA BY EXERTING MAXIMUM CONTROL OVER THE MEDIA. CRITICA HAS SOUGHT TO KEEP A DELICATE EQUILIBRIUM IN THIS FULL-OUT CLASH WITH CLARIN, CLAIMED LANATA. HE SAID HE WOULD LIKE TO ARGUE FROM A PURE PRESS FREEDOM STANCE AGAINST THE GOVERNMENT, BUT CLARIN'S MONOPOLISTIC DOMINANCE OF THE ARGENTINE MEDIA IS, IN HIS VIEW, A SERIOUS PROBLEM FOR THE COUNTRY. SHOULD HIS PROBLEMS ESCALATE FURTHER, HE CONCEDED, HE WOULD STAND BY FELLOW PUBLISHERS. FOR EXAMPLE, HE TURNED DOWN AN INVITATION TO TESTIFY IN A HEARING ORGANIZED BY THE FREEDOM OF EXPRESSION COMMITTEE OF THE LOWER HOUSE BECAUSE HE DID NOT WANT TO BE INSTRUMENTAL IN A PROJECT BY THE RULING MAJORITY TO SUPPORT THE GOVERNMENT'S FIGHT AGAINST CLARIN.

SEEKING U.S. ASSISTANCE

111. (C) LANATA AND CAVALLO ASKED THE AMBASSADOR FOR HELP. HE

SUGGESTED THAT THE GOVERNMENT MAY PULL BACK IF OTHERS MAKE IT KNOWN THAT THEY ARE AWARE OF THE PROBLEMS AT CRITICA.

CAVALLO ASKED WHETHER THE AMBASSADOR COULD LET U.S. COMPANIES KNOW ABOUT CRITICA'S NEED FOR ADVERTISING. LANATA FORESAW FURTHER NEGATIVE DEVELOPMENTS IN ARGENTINA'S NEAR FUTURE, PERHAPS MORE CORRUPTION SCANDALS, AND UNDERLINED THAT A CRISIS WOULD BE NEARLY UNBEARABLE IF THERE WERE NO FREE PRESS TO TELL THE PUBLIC WHAT IS HAPPENING. AMBASSADOR WAYNE THANKED LANATA AND CAVALLO FOR TRUSTING HIM WITH SUCH DELICATE INFORMATION. THEY AGREED THAT IT WAS IN THE BEST INTEREST OF BOTH ARGENTINA AND THE U.S. TO PROMOTE FREE PRESS IN ARGENTINA AND THAT IT WAS IMPORTANT TO KEEP WORKING WITH NGOS THAT ADDRESS PRESS FREEDOM ISSUES. THE AMBASSADOR SAID HE WOULD SEEK OPPORTUNITIES TO CONVEY THE CONCERNS HE HEARD IN THEIR MEETING TO GOA INTERLOCUTORS WHO MAY HAVE SOME INFLUENCE.

INTERAMERICAN PRESS ASSOCIATION ISSUES STATEMENT OF CONCERN

112. (U) THE INTERAMERICAN PRESS ASSOCIATION (IAPA) ISSUED A PRESS RELEASE MAY 15 WHICH URGES THE GOA TO TONE DOWN THE CONFRONTATION WITH ARGENTINA'S MEDIA AND JOURNALISTS, WHICH HAS REACHED "LEVELS THAT ARE DEEPLY AFFECTING FREEDOM OF THE PRESS." IT WARNED AGAINST "ACTS OF VIOLENCE AND VANDALISM THAT RESTRICT PRESS FREEDOM AND THE PEOPLE'S RIGHT TO INFORMATION." IT CALLS ON PRESIDENT CRISTINA FERNANDEZ DE KIRCHNER TO "TOLERATE" THE ROLE OF CRITICISM PLAYED BY THE MEDIA IN A DEMOCRACY. AS REPORTED BY THE PAPER "CLARIN," THE COMMUNIQUE REFERS TO A PRESS RELEASE TWO DAYS EARLIER BY THE ARGENTINE MEDIA OWNERS' ASSOCIATION, ADEPA (ASOCIACION DE ENTIDADES PERIODISTICAS ARGENTINAS), WHICH CONDEMNED THE

CLIMATE OF CONFRONTATION THAT THE GOVERNMENT HAD INTRODUCED IN RECENT TIMES. THE ADEPA AND IAPA PRESS RELEASES NOTE POSTERS CRITICAL OF CLARIN AND ITS CABLE NEWS CHANNEL, TODO NOTICIAS (TN), WHICH ARE PLASTERED ON THE STREETS BY KIRCHNER YOUTH GROUPS AND BY ASSOCIATES OF UNION LEADER HUGO MOYANO. OTHER SPECIFICS NOTED INCLUDE VANDALISM AT THE CLARIN BOOTH AT THE NATIONAL BOOK FAIR, THE INVASION OF PRIVATE EMAILS BELONGING TO OWNERS OF THE CLARIN GROUP, AND PUBLIC INSULTS DIRECTED BY PRO-KIRCHNER OFFICIALS AT INDIVIDUAL JOURNALISTS. IAPA ALSO NOTED THAT THE PRESIDENT HAD INITIALLY SHOWN INTEREST IN IMPROVING HER RELATIONSHIP WITH THE PRESS, GRANTING INTERVIEWS WITH NO RESTRICTIONS ON THE QUESTIONS, BUT THAT THIS HAD TRANSFORMED INTO SYSTEMATIC REPRIMANDS AGAINST THE MEDIA AND JOURNALISTS. "WE HAVE THE HOPE THAT THE ARGENTINE PRESIDENT WILL KNOW HOW TO UNDERSTAND AND TOLERATE THE ROLE THAT PERTAINS TO THE MEDIA IN A DEMOCRACY."

COMMENT

- 113. (C) THE ARGENTINE MEDIA HAS HISTORICALLY PLAYED A POWER-BALANCING ROLE IN A DEMOCRACY THAT IS BUILT ON WEAK INSTITUTIONS. SOME WOULD ASSERT THAT PAST EXPERIENCE SUGGESTS THAT IN A WAR BETWEEN CLARIN AND THE GOA, CLARIN WILL WIN. IF THE GOA-MEDIA CONFRONTATION FURTHER INTENSIFIES, THE GOA CAN EXPECT INCREASING CRITICISM FROM INTERNATIONAL ORGANIZATIONS. WHILE A LARGE PART OF THE GOA-CLARIN BATTLE HAS BEEN WAGED IN PUBLIC, THE VISIT FROM JOURNALIST LANATA PROVIDED AN INSIDE VIEW, WITH SPECIFICS, OF THE GOA'S BEHIND-THE-SCENES TACTICS FOR MOLDING THE MEDIA. JUDGING BY THE ENORMOUS STRESS HE DISPLAYED, HIS PAPER SEEMS TO BE AT SERIOUS RISK OF FAILING, AS RUMORS WOULD HAVE IT, EVEN THOUGH READERSHIP IS REPORTEDLY GOOD. HIS APPROACH TO THE AMBASSADOR ) ONE OF THE MOST FRANK PRESENTATIONS BY THE MEDIA WE HAVE RECEIVED ) SIGNIFIES THE STRONG CONFIDENCE ARGENTINES HAVE IN THE U.S. COMMITMENT TO PRESS FREEDOM.
- 114. (C) COMMENT CONTINUED: THE HARASSMENT ALLEGED BY LANATA AND OTHER JOURNALISTS IS DAMAGING TO A FREE PRESS AND WE NEED TO BE CONCERNED. BUT THE ALLEGED HARASSMENT FALLS SHORT OF GROSS VIOLATIONS OF PRESS FREEDOM SUCH AS CLOSING NEWSPAPERS AND OTHER MEDIA OUTLETS, STATE CENSORSHIP, IMPRISONING JOURNALISTS, OR RESTRICTING ACCESS TO THE INTERNET. ALTHOUGH THE KIRCHNERS HAVE NOT YET CROSSED THOSE RED LINES, THEIR CONTEMPT FOR THE MEDIA AND THEIR CONFRONTATIONAL STRATEGY FOR DEALING WITH THE PRESS LEND CREDENCE TO THE SUSPICION THAT THEY ARE BEHIND MUCH OF THE HARASSMENT. THEY CLEARLY HAVE NOT COME TO TERMS WITH THE ADVERSARIAL ROLE OF THE MEDIA. THE EMBASSY, IN ITS PUBLIC DIPLOMACY AND ITS PRIVATE COMMUNICATIONS, WILL CONTINUE TO UNDERLINE THE IMPORTANCE OF THE WATCHDOG ROLE PLAYED BY THE FOURTH ESTATE IN A FUNCTIONING DEMOCRACY. HOWEVER, WE BELIEVE THE BEST PUBLIC TACK FOR NOW IS THAT RESPECTED INTERNATIONAL ASSOCIATIONS AND INSTITUTIONS CONTINUE TO RAISE CONCERNS AS IAPA HAS. END

COMMENT. WAYNE